INFORMATION LETTER

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CPR 22 Covers Processors' Prices of Certain Fish and Nonseasonal Food Products; Other Price Control Developments during Week Will Affect Long-Range Program

Issuance of Ceiling Price Regulation was but one development this week in the field of price control. Successively, there were these developments affecting the long-range administration of price-wage controls:

1. On April 22, ESA Administrator Johnston announced a long-range policy of authorizing no price increases in any industry whose dollar profits amount to 85 percent of the average of the industry's best three years during the period 1946-49.

2. On April 24, Secretary Brannan was the first witness at hearings out of which it is expected that the House Agriculture Committee will attempt to build resistance to any effort to change the parity provisions of the Defense Production Act.

3. On April 25, OPS issued Ceiling Price Regulation 22, establishing a new method of figuring ceiling prices on many products, including numerous canned foods. A summary of the order and the text of CPR 22 were mailed to members as a Supplement to this issue of the INFORMATION LETTER. An analysis of CPR 22 will be published next week.

4. On April 26, President Truman sent to Congress a message proposing that the parity provisions of the Defense Production Act be amended to permit price ceilings on farm products to be set at the parity price for each commodity at the start of each marketing season.

5. On April 27, USDA announced national "legal minimum" prices as of April 15.

Earnings Standard Established As Guide on Ceiling Prices

A new basic price control policy designed to provide a firm standard to judge industry requests for ceiling price increases was announced April 22 by Eric Johnston, Economic Stabilization Administrator.

The policy establishes an earnings standard as a yardstick for allowing industry price increases. Under this yardstick, no industry will be permitted to increase prices if the industry's dollar profits amount to 85 percent of the average of its best three years during the period 1946-49, before federal taxes and after normal depreciation. *(Please turn to page 186)*

Meeting of Competition

The Senate Committee on the Judiciary on April 23 reported S. 719, a bill designed to clarify the right of sellers to competitive freight absorption (see INFORMATION LETTER of February 3, page 30). S. 719 and the Committee report are being studied by N.C.A. Counsel.

President Asks Congress To Amend Law to Permit Ceilings On Foods at Parity Price as of Start of Marketing Season

President Truman on April 26 recommended to Congress that the Defense Production Act be amended to authorize the establishment of ceiling prices on agricultural commodities on a new basis. He also suggested that if his proposal is tried and is not successful in holding the line on rising costs of food, subsidies may become necessary.

The President said in his message that he did not believe current proposals for a freeze of food prices below parity are justified under present circumstances. However, his recommendation was for a change in the present law so as to permit prices of farm products to be frozen when they reach the "parity price for each commodity prevailing at the start of its normal marketing season."

The price-wage provisions of the Defense Production Act will expire this June 30. The Senate Committee on Banking and Currency will open hearings on a revision and extension of that Act on May 7, and the House Committee will hold hearings beginning the following day.

After noting his disapproval of proposals to freeze farm prices at current levels, the President said, in part:

"The parity principle which is the basis for our agricultural law is the best guide we now have available to

(Please turn to page 188)

Brannan Statement Opens Study of Parity Relationship

Secretary Brannan told the House Committee on Agriculture this week that food costs cannot be blamed for the high cost of living.

His testimony on April 24 opened hearings by the Committee on farm prices and farm income and their relationship to the price of food and the stabilization program. Secretary Brannan appeared at the call of the Committee.

Highlighted so far by the Secretary's statement, the hearings are regarded as a farm bloc "counter-offen-

(Please turn to page 188)

STATISTICS

Canned Fruit and Vegetable Stocks and Shipments

Reports on canners' stocks and shipments of canned apples, applesauce, apricots, sweet cherries, peaches, pears, green and wax beans, corn, peas, pumpkin and squash, tomatoes, tomato juice, catsup, and chili sauce have been compiled by the N.C.A. Division of Statistics, and detailed reports have been mailed to all canners packing these products.

The reports on stocks and shipments of canned apples and applesauce do not include summaries of total supply because packing in the Northwest still continues.

Because stocks of pumpkin and squash in canners' hands are so small, this will be last report on stocks out of the 1950 pack.

Green and Wax Beans Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	329,031	1,619,626
Pack	19,502,855	20,213,355
Total supply	19,831,886	21,832,981
Stocks, April 1	4,023,198	4,395,396
Shipments during March	1,863,521	1,720,521
Shipments, July 1 to April 1	15,808,688	17,437,585

Canned Corn Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, Aug. 1	4,112,712	6,466,680
Pack	33,138,318	21,645,343
Total supply	37,251,030	28,111,923
Stocks, April 1	14,695,082	4,516,014
Shipments during March	3,621,153	2,869,574
Shipments, Aug. 1 to April 1	22,555,948	23,596,909

Canned Pea Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, June 1	4,985,141	2,141,400
Pack	34,944,874	32,725,536
Total supply	29,930,015	34,866,936
Stocks, April 1	4,677,675	3,470,244
Shipments during March	2,618,875	2,355,264
Shipments, June 1 to April 1	25,252,340	31,396,692

Pumpkin and Squash Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	1,046,502	123,449
Pack	843,210	1,777,803
Total supply	1,889,712	1,901,252
Stocks, April 1	192,532	33,540
Shipments, Dec. 1 to April 1	234,743	234,484
Shipments, July 1 to April 1	1,697,180	1,868,712

Canned Tomato Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	2,718,555	1,868,427
Pack	18,873,672	18,724,350
Total supply	21,592,227	20,592,777
Stocks, April 1	4,614,439	585,736
Shipments during March	1,617,757	459,994
Shipments, July 1 to April 1	16,977,788	20,007,041

Tomato Juice Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	5,740,779	3,094,135
Pack	20,559,673	22,740,658
Total supply	26,300,452	25,744,793
Stocks, April 1	5,061,390	3,908,171
Shipments during March	2,209,587	2,213,564
Shipments, July 1 to April 1	18,239,062	21,836,622

Catsup Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	6,346,425	2,302,775
Pack	10,900,407	14,792,598
Total supply	17,246,832	17,095,373
Stocks, April 1	4,686,905	2,474,719
Shipments, Jan. through March	4,162,682	3,506,971
Shipments, July 1 to April 1	12,559,927	14,620,654

Chili Sauce Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	1,037,059	493,060
Pack	1,369,575	1,814,481
Total supply	2,406,634	2,307,541
Stocks, April 1	935,438	417,759
Shipments, Jan. through March	577,120	422,297
Shipments, July 1 to April 1	1,471,196	1,889,782

Canned Apple Stocks and Shipments

	1950-51
	(cases—basis 6/10's)
Canner stocks, Feb. 1	3,084,805
Canner stocks, April 1	2,752,976
Shipments, Feb. and March	301,829

Applesauce Stocks and Shipments

	1950-51
	(actual cases)
Canner stocks, Feb. 1	7,121,670
Canner stocks, April 1	6,458,327
Shipments, Feb. and March	663,343

Canned Apricot Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	1,522,000	540,000
Pack	2,375,000	3,661,000
Total supply	3,897,000	4,201,000
Stocks, April 1	954,000	340,000
Shipments during March	241,000	190,000
Shipments, June 1 to April 1	2,943,000	3,861,000

Sweet Cherry Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	65,000	316,000
Pack	1,678,000	741,000
Total supply	1,743,000	1,057,000
Stocks, April 1	489,000	145,000
Shipments during March	106,000	63,000
Shipments, June 1 to April 1	1,254,000	912,000

Canned Peach Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	3,518,000	2,542,000
Pack	19,134,000	16,605,000
Total supply	22,652,000	19,147,000
Stocks, April 1	6,806,000	1,681,000
Shipments during March	1,838,000	954,000
Shipments, June 1 to April 1	15,846,000	17,466,000

Canned Pear Stocks and Shipments

	1949-50	1950-51
	(cases—basis 24/2½'s)	
Carryover, June 1	788,000	597,000
Pack	5,904,000	6,370,000
Total supply	6,692,000	6,967,000
Stocks, April 1	1,576,000	1,344,000
Shipments during March	656,000	539,000
Shipments, June 1 to March 1	5,116,000	5,623,000

Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipment situation are reported by the N.C.A. Division of Statistics as follows:

	1950	1951
	(thousands of dozens)	
Canner stocks, Jan. 1	55,341	62,453
Pack, Jan. through March	25,716	31,311
Supply	81,057	93,764
Canner stocks, April 1	49,735	60,082
Canner shipments, March	10,560	8,143
Canner shipments, Jan. through March	31,322	33,682

Tomatoes for Processing

Reports on processing tomatoes indicate an increase of about 32 percent over last year in the acreage for processing in 1951, according to the Bureau of Agricultural Economics.

Abandonment of planted acreage has averaged about 4 percent annually and if such a loss occurs this year, the harvest of 470,600 acres with a yield in line with the 10-year average of 5.89 tons per acre would result in a production of 2,772,000 tons.

State	1950 Indicated *(acres)*	1950 Revised *(acres)*	1951 Indicated *(acres)*
New York	21,800	20,800	22,500
New Jersey	25,600	29,800	35,000
Pennsylvania	19,300	21,000	25,200
Ohio	23,000	23,200	25,000
Indiana	95,900	67,700	76,000
Illinois	10,900	10,900	14,200
Michigan	8,200	8,800	9,700
Wisconsin	1,800	1,900	1,800
Iowa	1,700	1,300	1,600
Missouri	6,400	7,000	7,700
Delaware	9,500	5,300	6,000
Maryland	36,400	30,800	35,400
Virginia	16,500	15,000	17,700
South Carolina	3,600	3,600	4,500
Florida	3,000	3,500	4,500
Kentucky	2,100	2,300	2,000
Tennessee	3,300	2,400	2,500
Arkansas	8,100	8,500	12,500
Oklahoma	1,300	1,300	1,600
Texas	17,500	17,500	18,500
Colorado	3,300	3,700	4,300
Utah	7,400	7,600	8,600
California	70,000	75,520	150,000
Other states [1]	3,800	3,400	3,400
U. S. total	409,400	372,820	490,200

[1] Ala., Ariz., Conn., Ga., Idaho, Kans., La., Minn., Miss., Nebr., N. M., N. C., Ore., Wash., and W. Va.

1950 Pack of Black Eye Peas

The 1950 pack of black eye peas amounted to 1,133,500 actual cases, according to a report issued by the N.C.A. Division of Statistics.

The total packs of black eye peas and other varieties totaled 1,823,002 actual cases as compared with 1,234,178 cases packed in 1949. The 1949 total did not include all varieties.

1950 Pack of Black Eye Peas

State	1950 (actual cases)
Arkansas and Oklahoma	252,600
Texas	807,237
Other states	73,663
U. S. Total	1,133,500

1950 Packs of Black Eye Peas and Other Varieties of Peas

Variety	1950 (actual cases)
Black eye peas	1,133,500
Purple or blue hull peas	139,852
Regular field peas	292,105
Field peas with snaps	7,941
Cream peas	87,004
Crowder peas	159,684
Black eye peas with snaps	2,916
U. S. Total	1,823,002

1950 Cranberry Sauce Pack

The 1950-51 pack of cranberry sauce amounted to 4,683,640 actual cases as compared with the 3,400,015 cases packed in 1949-50, according to a report issued by the N.C.A. Division of Statistics. In the table below, the pack is shown by can size:

Can Size	Number per case	1949-50 (actual cases)	1950-51 (actual cases)
211 × 300 / 211 × 208 (7-8 oz.)	48	66,163	228,070
300 × 407 (15-16 oz.)	24	3,135,422	4,174,327
No. 2	24	65,600	.....
No. 3 Cyl. (404 × 700) (52-54 oz.)	12	1,425	3,224
No. 10	6	94,177	237,184
Miscellaneous tin		34,074	23,395
Miscellaneous glass		3,754	12,540
U. S. Total		3,400,015	4,683,640

Cucumbers for Pickles

An increase of nearly 32 percent over 1950 in the planted acreage of cucumbers for pickles is indicated for 1951, according to the Bureau of Agricultural Economics.

If early-season acreage prospects materialize, the 1951 plantings of pickling cucumbers will total 162,890 acres. This compares with 123,870 acres plated in 1950. Abandonment of planted acreage has averaged about 11 percent and if such a loss occurs this year, there would be about 145,000 acres for harvest. This compares with 109,130 acres harvested in 1950 and the 1940-49 average of 111,970 acres.

Beets for Canning

About the same acreage of canning beets is expected in 1951 as was planted in 1950, according to the Bureau of Agricultural Economics.

If acreage prospects materialize, the 1951 plantings of canning beets will total 19,700 acres. This compares with 19,800 acres planted in 1950.

State	1950 Indicated (acres)	1950 Revised (acres)	1951 Indicated (acres)
New York	4,200	4,000	3,800
New Jersey	800	770	850
Michigan	1,300	1,800	1,600
Wisconsin	7,900	7,800	8,600
Oregon	2,000	2,150	2,300
Other states [1]	3,000	3,280	2,550
U. S. total	19,800	19,800	19,700

[1] Calif., Colo., Ill., Ind., Iowa, La., Me., Md., Minn., Miss., Ohio, Pa., Tenn., Tex., Utah, and Wash.

Canned Meat Report

The quantity of meat canned and meat products processed under federal inspection during the four-week period February 25-March 31 is reported by the Bureau of Animal Industry as follows:

Canned Meat and Meat Products Processed Under Federal Inspection
Feb. 25-March 31, 1951 *

	3 lbs. & over	Under 3 lbs.	Total
	(in thousand pounds)		
Luncheon meat	20,346	7,987	28,333
Canned hams	14,903	2,350	17,253
Corned beef hash	516	9,942	10,458
Chile con carne	1,931	6,017	7,948
Vienna sausage	456	6,031	6,487
Frankfurters and wieners in brine	.....	5,285	5,285
Deviled ham	.....	834	834
Other potted and deviled meat products	5	3,207	3,212
Tamales	95	2,201	2,296
Sliced, dried beef	49	532	581
Liver products	.....	425	425
Meat stew	16	8,443	8,459
Spaghetti meat products	103	10,907	11,010
Tongue (except pickled)	895	338	1,233
Vinegar pickled products	952	1,735	2,687
Bulk sausage	.....	2,987	2,987
Hamburger	584	8,278	8,862
Soups	1,672	56,120	57,792
Sausage in oil	260	135	395
Tripe	7	654	661
Brains	.....	325	325
Bacon	144	2,083	2,227
All other products 20% or more meat	855	13,510	14,365
All other products less than 20% meat (except soup)	396	14,802	15,198
Total all products	44,186	165,126	209,312

* Columns do not add to total shown in all cases since rounded figures are used.

INSPECTION

Poultry Inspection Service

The Production and Marketing Administration of USDA proposes to extend from May 1 to July 1 the date by which dressed poultry processors must meet the sanitary requirements of the USDA voluntary poultry grading and inspection program. The proposed action has been taken in response to requests by the industry for an extension of time in which to allow processors to make changes necessary to comply with the sanitary provisions and also to postpone the effective date of sanitary requirements for dressed poultry until after a series of informal meetings, to be held in Chicago on May 2; Philadelphia May 4; Los Angeles May 8; Modesto, Calif., May 10; and Portland, Ore., May 14.

After the regulations are made effective, compliance with the sanitary standards will be required in poultry dressing the same as in eviscerating plants as a prerequisite to the official grading and inspection service.

PROCUREMENT

Armed Forces Feeding

An up-to-date publication, *Table of Food Composition for the Armed Forces*, requested by the Quartermaster General, has been prepared by nutrition specialists in the Bureau of Human Nutrition and Home Economics of USDA. The table gives the most exact information now available on amount of vitamins and other nutrients in ration items.

Invitations for Bids

Quartermaster Purchasing Office—1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act will apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The QMC has invited sealed bids to furnish the following:

BEANS WITH PORK AND TOMATO SAUCE—6,450 dozen No. 2½ cans, unlabeled, f.o.b. origin or f.o.b. destination. Bids due at Chicago under QM-11-009-51-1861 by May 2.

BEANS WITH PORK AND TOMATO SAUCE—8,600 dozen No. 2½ cans, unlabeled, f.o.b. origin. Bids due at Chicago under QM-11-009-51-1852 by May 2.

Forthcoming Meetings

May 11—Ozark Canners Association, Spring Meeting, Severs Hotel, Muskogee, Okla.

May 24-25—National Canners Association, Spring Meeting of Board of Directors and Administrative Council, Washington, D. C.

June 3-4—Michigan Canners Association, Spring Meeting, Park Place Hotel, Traverse City

June 12-13—Maine Canners Association, Summer Meeting, Lakewood, near Skowhegan

June 27-29—National Pickle Packers Association, Midyear Meeting, Sheraton Hotel, Chicago

July 18-27—Indiana Canners Association, Annual Mold Count School, Purdue University, Lafayette

August 1-10—Association of New York State Canners, Inc., 14th Annual Mold Count School, Jordan Hall, Geneva Experiment Station, Geneva

October 24-26—National Pickle Packers Association, Annual Meeting, Sheraton Hotel, Chicago

November 12-13—Wisconsin Canners Association, 46th Annual Convention, Schroeder Hotel, Milwaukee

November 15-16—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs

November 19-20—Pennsylvania Canners Association, Annual Convention, Penn Harris Hotel, Harrisburg

November 29-30—Tri-State Packers Association, 48th Annual Meeting, Philadelphia

December 6-7—Association of New York State Canners, Inc., 66th Annual Convention, Hotel Statler, Buffalo

DEFENSE

Area 'Legal Minimums'

National "legal minimum" prices for vegetables for processing as of April 15 were announced late yesterday by the Production and Marketing Administration, USDA.

To determine location adjustments as of April 15, the dollar and cent increase over the January 15 prices should be applied to the area price for each commodity as listed in USDA's January 15 "legal minimum" prices.

Vegetables for Processing	Legal minimum Jan. 15, 1951 (*dollars per ton*)	Legal minimum April 15, 1951	Increase (*dollars*)
Asparagus	205.00	205.00	...
Beans, lima	152.00	158.00	6.00
Beans, snap	122.00	127.00	5.00
Beets	23.80	24.80	1.00
Cabbage	16.80	17.50	.70
Corn	22.70	23.60	.90
Cucumbers (*bu.*)	1.63	1.63	...
Peas	99.00	103.00	4.00
Pimientos	71.50	74.10	2.60
Spinach	58.50	60.80	2.30
Tomatoes	31.30	32.50	1.20

The prices announced by USDA are not support prices and do not represent prices that must legally be paid to growers (see INFORMATION LETTER of March 10, page 141).

Can Order, M-25, Amended

The can order, M-25, was further amended on April 24 by the National Production Authority to allow the use of tinplate for one end of the blackplate containers used for packing whole, dried, or skimmed milk.

The amendment was recommended by the U. S. Department of Agriculture to conserve the current heavy milk supply. The amendment places smaller than five-gallon containers for these products on the "A" preferential list.

An additional change in Section 9(e)(1) of M-25 also was reported by NPA. Changes made since the April 6 revision of the order are in italics. This section should read:

"Orders having a DO rating are exempt from the restrictions of *Section 6* of this order on the amount of cans that may be *used*."

NPA Farm Equipment Directive

The National Production Authority on April 20 sent telegrams to steel producers instructing them to fill defense rated orders (DO-87) from manufacturers of farm equipment.

Farm equipment manufacturers may apply defense ratings on their own certification to obtain materials and component parts equal to their average monthly consumption in 1950. The DO-87 is provided equipment manufacturers by M-55 and applies only to requirements for delivery during the month of June.

The directives were made necessary, NPA said, in order to supply steel for seasonal production of equipment needed in planting and harvesting food and fiber.

Orders for June delivery of steel must be placed by farm equipment manufacturers no later than April 30.

Earnings Standard Established

(Concluded from page 183)

Mr. Johnston set forth the basic policy in a letter to Michael V. DiSalle, director of the Office of Price Stabilization. The policy has been approved by Charles E. Wilson, Defense Mobilization Director, and the Defense Mobilization Board. Text of the letter follows:

Dear Mr. DiSalle:

With the impending completion of the interim phase of price control operations, it becomes necessary, as we have agreed, to establish the longer-range policies under which price controls henceforth will be administered by the Office of Price Stabilization. These long-range policies are here summarized:

The basic policy shall be to allow no price increases above the levels set by interim regulations except to the minimum extent required by law, or for exceptional reasons of public policy.

This basic policy will require the development of standards which set forth, as specifically as possible, (a) the conditions under which the law requires that prices of an industry or of a commodity be increased, and (b) the conditions under which prices may be increased over and above the minimum legal requirements.

The basic standard reflecting the minimum requirement of law (apart from certain farm and food commodities) shall be as follows:

(1) The level of price ceilings for an industry shall normally be considered "generally fair and equitable" under the Defense Production Act if the dollar profits of the industry amount to 85 percent of the average for the industry's best three years during the period 1946-1949, inclusive. The profits should be figured before federal income and excess profits taxes and after normal depreciation only, with adjustments made for any changes in net worth.

(2) Any increase in manufacturing or processing prices may not be passed along at distributive levels except to the extent necessary (a) to meet the above earnings standard; or (b) to prevent dislocations in the relationship between costs and ceiling prices; or (c) to avoid serious hardships or inequities or to preserve enforceability. Any such increases shall not, in general, exceed the actual dollars-and-cents rise in costs.

It is understood that the Office of Price Stabilization will develop in greater detail the methods for applying the above standard, and also the standards for permissive increases justified by exceptional reasons of public policy.

The latter will include the standards for assuring essential supplies, for adjusting an individual product of a multi-product industry, and for adjusting the price of individual sellers to avoid hardship or inequity.

Furthermore, the Office of Price Stabilization should proceed as rapidly as possible with the policy of developing industry regulations setting dollars-and-cents ceilings to the maximum extent feasible.

Priority Assistance For Essential Materials

The Production and Marketing Administration of USDA, as claimant agency for food industries before the National Production Authority, is able to apply for special priority assistance to obtain essential materials needed by canners.

Because the purchase of essential materials and equipment is limited under the MRO order, NPA Regulation 4, PMA must certify as to its essentiality to the NPA. To provide the PMA with the information needed in determining essentiality, canners are advised to include in any such request the information described in the following outline:

1. State if a priority rating for particular item or items has previously been applied for. If so, give date of application, type of priority requested, to whom application was made, and disposition of application, if any.

2. Give specific detailed information as to use, type and size of equipment previously used for this purpose and reasons for replacement or expansion.

3. If it is a replacement, compare capacity of old and proposed new equipment for each product for which used. Give age, condition, type and size of old equipment being replaced; and schedule for erection of equipment and start of operation.

4. In case of material shortages at supplier levels, specify materials in which each shortage occurs in terms of gross weights and values, exclusive of manufacturing, erection and servicing costs for each item of basic materials including carbon, low-alloy, stainless and high-alloy steels, copper and aluminum as sheet, plate, screen, pipe, bar, wire, and structural forms.

5. Specify the quantities of these items purchased by suppliers in 1949, 1950, and first and second quarters of 1951 by names of mills or warehouses.

6. Specify your purchase order numbers, dates, names of suppliers to whom issued, and the same information for pertinent purchase orders of your suppliers to their mills and/or warehouses.

7. Specify in detail delivery or shipping dates promised by each supplier named in (6) with and without DO ratings, including names of suppliers declining to accept orders and reasons stated therefor. Get from immediate suppliers information pertaining to latter's suppliers.

8. Give clear, concise statements justifying need for carrying out your project at this time, its importance to defense, public health and safety or private hardship which may result if equipment is not obtained.

9. For all industrial expansion projects, even where new buildings are not involved, but where power equipment and/or structural supports are needed, the following additional data should be supplied:

(a) Clear, concise description of construction or installation, stating whether it is an addition to existing structure or independent project; preferably accompanied by sketches comparing old with proposed and description of over-all resulting changes in capacity by products.

(b) Justification for new facilities, including dollar value of new facilities.

(c) To what extent has construction progressed.

(d) Construction and/or installation schedule.

(e) Material and/or equipment on which priority assistance is required, including units listed in (4).

PERSONNEL

American Can Co. Officers

The American Can Company has announced the election of C. H. Black, president since 1949, as chairman of the board of directors and W. C. Stolk, executive vice president, to fill the position of president.

Mr. Black succeeds D. W. Figgis, who retires as chairman of the board after being with the company for almost 50 years. Mr. Figgis will continue to serve the firm in an advisory capacity and as a director.

Mr. Black started his career with the can company in 1908. He held a number of sales posts, and successively became Atlantic District sales manager in 1931, assistant general sales manager, general manager of sales and, in 1940, vice president in charge of sales. He was made a director the following year, and was elected vice president and a member of the executive committee in 1943. In April, 1949, he became president.

Mr. Stolk has been with the company since 1916, following service in World War I. He served in several important sales posts, and became general manager of sales in 1941 and vice president in charge of sales three years later. He was elected executive vice president and a director in 1949.

Mr. Figgis started with the company in 1902 when the firm was less than one year old. He has served in virtually every major sales position. He was elected executive vice president in 1940, president in 1943, and has been chairman of the board since 1949.

FARM PRODUCTS

Hawaiian Quarantine

A cheaper, speedier method of treating a number of perishable commodities prior to their certification for shipment from Hawaii to the mainland of the United States under the domestic fruit and vegetable quarantine has been announced by the U. S. Department of Agriculture. The improved method involves fumigation of the commodities with ethylene dibromide at the rate of one-half pound per 1,000 cubic feet of space. A two-hour exposure period at 70° F. is required.

Avery S. Hoyt, chief of the Bureau of Entomology and Plant Quarantine, which developed the new method, states that this type of treatment is authorized for avocado, bell pepper, bitter melon, Cavendish banana, cucumber, papaya, pineapple, string beans, and Zucchini squash.

Treatment is required as a condition for quarantine certification of many Hawaiian fruits and vegetables intended for interstate shipment. This is due to their possible infestation with the Oriental fruit fly, the melon fly, and the Mediterranean fruit fly.

Of 53 compounds tested, ethylene dibromide proved to be the most toxic to eggs and larvae of the Oriental fruit fly.

Support Prices for Beans

Support prices by class, grade and area for 1951-crop dry edible beans were announced April 23 by the U. S. Department of Agriculture. These prices reflect to growers an average support level of $6.69 per hundredweight, uncleaned basis, as compared with an average support price return to growers of $6.30 on the 1950 crop.

STANDARDS

Grades for Canned Lima Beans

U. S. standards for grades of canned lima beans have been revised by the Production and Marketing Administration, USDA. The revised standards were published in the *Federal Register* of April 27 and will be effective 30 days following publication.

CONGRESS

Food and Drug Codification

The House Committee on the Judiciary, through its subcommittee on law revision, again has undertaken to revise and codify the Federal Food, Drug and Cosmetic statutes (Title 21 of the United States Code). Subcommittee Chairman Bryson (S. C.) on April 18 introduced a bill, H. R. 3758, similar to a measure reported favorably to the full committee in the last Congress. The earlier proposal was found to contain undesirable substantive changes in the food provisions of the present Act, and, as a result, the Judiciary Committee did not press for enactment of that bill.

The subcommittee will hold hearings on the new bill, probably commencing about June 1, and an adequate opportunity is assured for all interested parties to present their views. N.C.A. Counsel is studying the new measure. Any substantive changes in the law or other objectionable features found in H. R. 3758 will be reported to the industry and presented to the Judiciary Committee.

Study of Parity Relationship

(Concluded from page 183)

sive" to proposals to freeze farm parity at January 15 levels. This is reportedly one phase of an agreement which recently brought labor back into the stabilization effort.

"Rather than being overpaid," the Secretary said, "farmers are earning less for their labor, less for their investment, and less for their management ability than are other segments of our economy."

He said that the farmer's income averages 69 cents an hour for labor, 5 percent interest on investment, and nothing for management.

With respect to the relative importance of farm prices in the cost of living, Secretary Brannan said, in part:

"If the prices of all farm commodities below parity in March should immediately rise to the parity level with the resulting rise translated directly into retail food costs, consumers' food costs would rise something less than 5 percent, and this in turn would mean only about a 1.5 percent rise in the over-all Consumers' Price Index. But it is extremely unlikely that the commodities that account for this difference will rise to parity levels in the near future."

Representative Andresen (Minn.) asked the Secretary how essential he regarded food production and processing and whether the Secretary would give food production, processing and distribution a top priority. Mr. Brannan answered yes.

Representative Thompson (Tex.) asked about the amount of the consumer's food dollar that is received by the farmer in relation to the amount received by the processor. Secretary Brannan commented that when food prices were declining, farmers took the greatest portion of the decline, but since the first of this year the farmer has been receiving the greatest part of the increase in consumer prices for food.

In response to other questioning, Secretary Brannan said that if no other alternative is found, subsidies may have to be resorted to.

Defense Production Act

(Concluded from page 183)

judge what is a fair return for the farmer.

"I do believe, however, that for price control purposes the parity price for each commodity prevailing at the start of its normal marketing season should be applied throughout the balance of the marketing season just as is the case in most of our agricultural price support programs. I recommend that the Defense Production Act be amended to provide for this. Under this amendment, the parity price will continue to be a minimum standard for each price ceiling. The amendment will, however, substantially improve the administration of price control on food products and will forestall the inflationary effect of frequent changes in the computation of the parity price of individual farm commodities.

"The current outlook is for stable food prices, at least for some months to come. However, if we find that we cannot hold the line on food prices with the powers recommended here, we shall need to consider legislation authorizing the use of other devices, including limited food subsidies to prevent necessary farm price increases from being reflected in rises in the cost of living. Such subsidies were very successful in World War II and saved consumers and taxpayers far more than they cost."

Farm Labor Supply Bill

The Ellender bill, S. 984, to provide for a government program of importing Mexican agricultural labor, was debated in the Senate this week. Numerous amendments to the bill were presented to the Senate. Some of these represented the views of organized labor for so-called social reforms. Others would broaden the foreign coverage of the proposal, increase the cost to the employer for imported labor, and authorize the establishment of reception centers within the United States.

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